

**AMENDMENT TO H.R. 3920, AS REPORTED
OFFERED BY MR. McCRERY OF LOUISIANA**

Strike all after the enacting clause and insert the
following:

1 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Trade Adjustment Assistance and Training Improve-
4 ments Act of 2007”.

5 (b) TABLE OF CONTENTS.—The table of contents for
6 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

Subtitle A—Petitions and Determinations

Sec. 101. Petitions.

Sec. 102. Group eligibility requirements.

Sec. 103. Determinations by Secretary of Labor.

Sec. 104. Benefit information to workers.

Sec. 105. Administrative reconsideration of determinations by Secretary of
Labor.

Subtitle B—Program Benefits

CHAPTER 1—TRADE READJUSTMENT ALLOWANCES

Sec. 111. Qualifying requirements for workers.

Sec. 112. Weekly amounts.

Sec. 113. Limitations on trade readjustment allowances.

**CHAPTER 2—TRAINING, OTHER REEMPLOYMENT SERVICES, AND
ALLOWANCES**

Sec. 121. Reemployment services.

Sec. 122. Training.

Sec. 123. Job search allowances.

Sec. 124. Relocation allowances.

Subtitle C—General Provisions

- Sec. 131. Agreements with States.
Sec. 132. Authorization of appropriations; incentive payments to States.
Sec. 133. Phase-out of demonstration project for alternative trade adjustment assistance for older workers.
Sec. 134. Wage supplement program.
Sec. 135. Definitions.
Sec. 136. Capacity-building grants to enhance training for workers.

Subtitle D—Effective Date

- Sec. 141. Effective date.

TITLE II—OTHER TRADE ADJUSTMENT ASSISTANCE PROGRAMS
AND RELATED PROVISIONS

- Sec. 201. Technical assistance for firms.
Sec. 202. Extension of trade adjustment assistance for firms.
Sec. 203. Extension of trade adjustment assistance for farmers.
Sec. 204. Judicial review.
Sec. 205. Termination.

TITLE III—MISCELLANEOUS PROVISIONS

- Sec. 301. Credit reduction for failures relating to co-enrollment of participants and program performance reports.
Sec. 302. TAA wage supplement participants eligibility for credit for health insurance costs.
Sec. 303. Special allocation under new markets tax credit in connection with trade adjustment assistance.
Sec. 304. Expedited reemployment demonstration projects.
Sec. 305. Increase in percentage of TAA and PBGC health insurance tax credit.
Sec. 306. Collection of unemployment compensation debts.
Sec. 307. Offsets.

1 **TITLE I—TRADE ADJUSTMENT**
2 **ASSISTANCE FOR WORKERS**
3 **Subtitle A—Petitions and**
4 **Determinations**

5 **SEC. 101. PETITIONS.**

6 Section 221(a) of the Trade Act of 1974 (19 U.S.C.
7 2271(a)) is amended—

8 (1) in paragraph (1), by striking “simulta-
9 neously with the Secretary and with the Governor of

1 the State in which such workers' firm or subdivision
2 is located" and inserting "with the Secretary";

3 (2) by redesignating paragraphs (2) and (3) as
4 paragraphs (3) and (4), respectively;

5 (3) by inserting after paragraph (1) the fol-
6 lowing new paragraph:

7 "(2) Upon receipt of a petition filed under paragraph
8 (1), the Secretary shall promptly notify the Governor of
9 the State in which such workers' firm or subdivision is
10 located of the filing of the petition and its contents.";

11 (4) in paragraph (3) (as redesignated by para-
12 graph (2) of this section), by striking "a petition
13 filed under paragraph (1)" and inserting "a notice
14 under paragraph (2)"; and

15 (5) in paragraph (4) (as redesignated by para-
16 graph (2) of this section)—

17 (A) by striking "the petition" and insert-
18 ing "a petition filed under paragraph (1)"; and

19 (B) by inserting "and on the Website of
20 the Department of Labor" after "in the Fed-
21 eral Register".

22 **SEC. 102. GROUP ELIGIBILITY REQUIREMENTS.**

23 (a) IN GENERAL.—Subsection (a)(2)(B)(i) of section
24 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amend-
25 ed by inserting at the end before the semicolon the fol-

1 lowing: “that contributed importantly to such workers’
2 separation or threat of separation”.

3 (b) ADVERSELY AFFECTED SECONDARY WORK-
4 ERS.—Subsection (b) of such section is amended—

5 (1) in paragraph (2), by striking “and” at the
6 end;

7 (2) by redesignating paragraph (3) as para-
8 graph (4);

9 (3) by inserting after paragraph (2) the fol-
10 lowing new paragraph:

11 “(3) the sales or production, or both, of such
12 firm or subdivision have decreased absolutely; and”;
13 and

14 (4) in subparagraph (A) of paragraph (4) (as
15 redesignated by paragraph (2) of this subsection), by
16 inserting at the end before the semicolon the fol-
17 lowing: “and contributed importantly to the workers’
18 separation or threat of separation determined under
19 paragraph (1)”.

20 (c) DEFINITIONS.—Subsection (c) of such section is
21 amended—

22 (1) in paragraph (3), by striking “, if the cer-
23 tification of eligibility under subsection (a) is based
24 on an increase in imports from, or a shift in produc-
25 tion to, Canada or Mexico”; and

1 (2) by adding at the end the following new
2 paragraphs:

3 “(5) The term ‘article’ means—

4 “(A) a tangible product subject to duty
5 under the Harmonized Tariff Schedule of the
6 United States which is not incidental to the
7 provision of a service; or

8 “(B) an intangible product, such as a dig-
9 ital product (including computer programs,
10 text, video, image and sound recordings, and
11 similar products), that would be subject to duty
12 under the Harmonized Tariff Schedule of the
13 United States if the intangible product were
14 embodied in a physical medium and which is
15 not incidental to the provision of a service.

16 “(6) The term ‘worker’ means—

17 “(A) with respect to a firm described in
18 subsection (a)—

19 “(i) an individual directly employed by
20 the firm that produces an article that is
21 the basis for a determination under sub-
22 section (a) and who performs tasks relat-
23 ing to the production of the article; or

24 “(ii) an individual who is under the
25 operational control of the firm that pro-

1 duces an article that is the basis for a de-
2 termination under subsection (a) pursuant
3 to a contract or leasing arrangement and
4 who performs tasks relating to the produc-
5 tion of the article;

6 “(B) with respect to a firm that is a sup-
7 plier described in subsection (b)—

8 “(i) an individual directly employed by
9 the firm that is a supplier and who per-
10 forms tasks relating to the production of
11 component parts for an article that is the
12 basis for a determination under subsection
13 (a); or

14 “(ii) an individual who is under the
15 operational control of the firm that is a
16 supplier pursuant to a contract or leasing
17 arrangement and who performs tasks relat-
18 ing to the production of component parts
19 for an article that is the basis for a deter-
20 mination under subsection (a); and

21 “(C) with respect to a firm that is a down-
22 stream producer described in subsection (b)—

23 “(i) an individual directly employed by
24 the firm that is a downstream producer
25 and who perform tasks relating to the pro-

1 vision of additional, value-added production
2 processes for an article that is the basis for
3 a determination under subsection (a); or
4 “(ii) an individual who is under the
5 operational control of the firm that is a
6 downstream producer pursuant to a con-
7 tract or leasing arrangement and who per-
8 forms tasks relating to the provision of ad-
9 ditional, value-added production processes
10 for an article that is the basis for a deter-
11 mination under subsection (a).”.

12 **SEC. 103. DETERMINATIONS BY SECRETARY OF LABOR.**

13 (a) WORKERS COVERED BY CERTIFICATION.—Sub-
14 section (b) of section 223 of the Trade Act of 1974 (19
15 U.S.C. 2273) is amended—

16 (1) in the matter preceding paragraph (1), by
17 striking “under this section” and inserting “under
18 subsection (a) or (d) of this section”; and

19 (2) in paragraph (2), to read as follows:

20 “(2) after the earliest of—

21 “(A) the date that is two years after the
22 date on which certification is granted under
23 subsection (a);

1 “(B) the date that is two years after the
2 date of the earliest determination, if any, deny-
3 ing certification under subsection (a); or

4 “(C) the termination date, if any, deter-
5 mined under subsection (e).”.

6 (b) PUBLICATION OF DETERMINATION.—Subsection
7 (c) of such section is amended—

8 (1) by striking “his determination” and insert-
9 ing “a determination”;

10 (2) by inserting “and on the Website of the De-
11 partment of Labor” after “in the Federal Register”;
12 and

13 (3) by striking “his reasons” and inserting “the
14 Secretary’s reasons”.

15 (c) AMENDMENT TO CERTIFICATION.—Such section
16 is further amended—

17 (1) by redesignating subsection (d) as sub-
18 section (e); and

19 (2) by inserting after subsection (c) the fol-
20 lowing new subsection:

21 “(d) Whenever the Secretary determines, with respect
22 to any certification of eligibility of the workers of a firm
23 or subdivision of the firm, and subject to such regulations
24 as the Secretary may prescribe, that good cause exists to
25 amend such certification, the Secretary shall amend such

1 certification and promptly publish notice of such amend-
2 ment in the Federal Register and on the Website of the
3 Department of Labor together with the reasons for mak-
4 ing such determination.”.

5 (d) TERMINATION OF CERTIFICATION.—Subsection
6 (e) of such section (as redesignated by subsection (c)(1)
7 of this section) is amended—

8 (1) by striking “he shall” and inserting “the
9 Secretary shall”;

10 (2) by inserting “and on the Website of the De-
11 partment of Labor” after “in the Federal Register”;
12 and

13 (3) by striking “his reasons” and inserting “the
14 Secretary’s reasons”.

15 **SEC. 104. BENEFIT INFORMATION TO WORKERS.**

16 Section 225(a) of the Trade Act of 1974 (19 U.S.C.
17 2275(a)) is amended in the fourth sentence by striking
18 “the State Board for Vocational Education or equivalent
19 agency and other public or private agencies, institutions,
20 and employers, as appropriate,” and inserting “the appro-
21 priate State workforce investment board (established
22 under section 111 of the Workforce Investment Act of
23 1998 (29 U.S.C. 2821)) and State workforce agency re-
24 sponsible for the administration of the State workforce in-

1 vestment program funded under title I of the Workforce
2 Investment Act of 1998 (29 U.S.C. 2801 et seq.)”.

3 **SEC. 105. ADMINISTRATIVE RECONSIDERATION OF DETER-**
4 **MINATIONS BY SECRETARY OF LABOR.**

5 (a) IN GENERAL.—Subchapter A of chapter 2 of title
6 II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is
7 amended by adding at the end the following new section:

8 **“SEC. 226. ADMINISTRATIVE RECONSIDERATION OF DETER-**
9 **MINATIONS BY SECRETARY OF LABOR.**

10 “(a) ADMINISTRATIVE RECONSIDERATION.—

11 “(1) IN GENERAL.—A worker, group of work-
12 ers, certified or recognized union or other duly au-
13 thorized representative of such worker or group of
14 workers, or any of the individuals or entities de-
15 scribed in section 221(a)(1)(C), aggrieved (or on be-
16 half of such workers aggrieved) by a determination
17 of the Secretary of Labor under section 223 denying
18 a certification of eligibility, may file a request for
19 administrative reconsideration with the Secretary
20 not later than 60 days after the date on which notice
21 of the determination is published under section 223.

22 “(2) FAILURE TO MAKE TIMELY REQUEST.—
23 The failure to file a request for administrative recon-
24 sideration of a determination denying a certification
25 of eligibility under section 223 within the 60-day pe-

1 riod described in paragraph (1) shall be deemed to
2 be a failure to exhaust administrative remedies and
3 such determination shall not be subject to judicial
4 review under section 284.

5 “(b) NOTICE, REVIEW, AND FINAL DETERMINA-
6 TION.—

7 “(1) NOTICE.—If a request for administrative
8 reconsideration of a determination of the Secretary
9 is filed in accordance with the provisions of sub-
10 section (a), the Secretary shall promptly publish no-
11 tice thereof in the Federal Register and on the
12 Website of the Department of Labor.

13 “(2) REVIEW OF DETERMINATION.—The Sec-
14 retary shall initiate a review of the determination of
15 the Secretary upon filing of the request for adminis-
16 trative reconsideration under subsection (a) and
17 shall include an opportunity for interested persons to
18 submit additional information.

19 “(3) FINAL DETERMINATION.—The Secretary
20 shall issue a final determination on the request for
21 administrative reconsideration not later than 60
22 days after the date on which the Secretary publishes
23 notice of the request for reconsideration pursuant to
24 paragraph (1). Upon reaching a determination on a
25 reconsideration, the Secretary shall promptly publish

1 a summary of the determination in the Federal Reg-
2 ister and on the Website of the Department of
3 Labor, together with the reasons for making such
4 determination. The requirements relating to judicial
5 review under section 284 shall apply to any deter-
6 mination made by the Secretary under this sub-
7 section.”.

8 (b) CLERICAL AMENDMENT.—The table of contents
9 in section 1 of the Trade Act of 1974 is amended by in-
10 serting after the item relating to section 225 the following:

“Sec. 226. Administrative reconsideration of determinations by Secretary of
Labor.”.

11 **Subtitle B—Program Benefits**
12 **CHAPTER 1—TRADE READJUSTMENT**
13 **ALLOWANCES**

14 **SEC. 111. QUALIFYING REQUIREMENTS FOR WORKERS.**

15 (a) BASIC TRADE READJUSTMENT ALLOWANCE.—
16 Subsection (a) of section 231 of the Trade Act of 1974
17 (19 U.S.C. 2291) is amended—

18 (1) in the matter preceding paragraph (1), by
19 striking “60 days” and inserting “40 days”;

20 (2) in paragraph (1), by striking “occurred—”
21 and all that follows and inserting “occurred during
22 the period described in section 223(b).”; and

23 (3) by striking paragraphs (4) and (5).

1 (b) PAYMENT OF ADDITIONAL TRADE READJUST-
2 MENT ALLOWANCE.—Such section is further amended—

3 (1) by redesignating subsections (b) and (c) as
4 subsections (c) and (d), respectively; and

5 (2) by inserting after subsection (a) the fol-
6 lowing new subsection:

7 “(b) In addition to the payment of a trade readjust-
8 ment allowance under subsection (a), payment of an addi-
9 tional trade readjustment allowance shall be made to an
10 adversely affected worker who is covered by a certification
11 under subchapter A and who—

12 “(1) files an application for such allowance for
13 any week of unemployment which begins after the
14 worker has received the maximum amount of trade
15 readjustment allowances payable under subsection
16 (a);

17 “(2) meets the conditions described in para-
18 graphs (1) through (3) of subsection (a); and

19 “(3) is either—

20 “(A) totally unemployed and is enrolled in
21 a full-time training program approved by the
22 Secretary under section 236(a); or

23 “(B) partially unemployed and is enrolled
24 in a full-time or part-time training program ap-
25 proved by the Secretary under section 236(a).”.

1 (c) WITHHOLDING OF TRADE READJUSTMENT AL-
2 LOWANCE PENDING BEGINNING OR RESUMPTION OF PAR-
3 TICIPATION IN TRAINING PROGRAM; PERIOD OF APPLICA-
4 BILITY.—Subsection (c) of such section (as redesignated
5 by subsection (b)(1) of this section) is amended to read
6 as follows:

7 “(c) If the Secretary determines that—

8 “(1) the adversely affected worker—

9 “(A) has failed to begin participation in
10 the training program the enrollment in which
11 meets the requirement of subsection (b)(3), or

12 “(B) has ceased to participate in such
13 training program before completing such train-
14 ing program, and

15 “(2) there is no justifiable cause for such fail-
16 ure or cessation,

17 no trade readjustment allowance may be paid to the ad-
18 versely affected worker under this part for the week in
19 which such failure, cessation, or revocation occurred, or
20 any succeeding week, until the adversely affected worker
21 begins or resumes participation in a training program ap-
22 proved under section 236(a).”.

23 (d) WAIVERS OF TRAINING REQUIREMENTS.—Sub-
24 section (d) of such section (as redesignated by subsection
25 (b)(1) of this section) is hereby repealed.

1 **SEC. 112. WEEKLY AMOUNTS.**

2 (a) IN GENERAL.—Subsection (a) of section 232 of
3 the Trade Act of 1974 (19 U.S.C. 2292) is amended—

4 (1) by striking “(a)” and inserting “(a)(1)”;

5 (2) by inserting “paragraph (2) and” after
6 “Subject to”;

7 (3) by redesignating paragraphs (1) and (2) as
8 subparagraphs (A) and (B), respectively; and

9 (4) by adding at the end the following new
10 paragraph:

11 “(2)(A) Notwithstanding section 231(a)(3)(B), if an
12 adversely affected worker who is participating in training
13 qualifies for unemployment insurance under State law,
14 based in whole or in part upon part-time or short-term
15 employment following approval of the worker’s initial
16 trade readjustment allowance application under section
17 231(a), then for any week for which unemployment insur-
18 ance is payable and for which the worker would otherwise
19 be entitled to a trade readjustment allowance based upon
20 the certification under section 223, the worker shall be
21 paid a trade readjustment allowance in the amount de-
22 scribed in subparagraph (B).

23 “(B) The trade readjustment allowance payable
24 under subparagraph (A) shall be equal to the weekly ben-
25 efit amount of the unemployment insurance upon which

1 the worker's trade readjustment allowance was initially de-
2 termined under paragraph (1), reduced by—

3 “(i) the amount of the unemployment insurance
4 benefit payable to such worker for that week of un-
5 employment for which a trade readjustment allow-
6 ance is payable under subparagraph (A) of this
7 paragraph; and

8 “(ii) the amounts described in subparagraphs
9 (A) and (B) of paragraph (1).”.

10 (b) ADVERSELY AFFECTED WORKERS WHO ARE UN-
11 DERGOING TRAINING.—Subsection (b) of such section is
12 amended—

13 (1) by inserting “under section 231(b)” after
14 “who is entitled to trade readjustment allowances”;
15 and

16 (2) by striking “he is undergoing any such”
17 and inserting “such worker is undergoing”.

18 **SEC. 113. LIMITATIONS ON TRADE READJUSTMENT ALLOW-**
19 **ANCES.**

20 Section 233 of the Trade Act of 1974 (19 U.S.C.
21 2293) is amended—

22 (1) in subsection (a)—

23 (A) in paragraph (1)—

24 (i) by striking “The maximum
25 amount” and inserting “Except as pro-

1 vided in paragraph (3), the maximum
2 amount”; and

3 (ii) by striking “52” and inserting
4 “39”; and

5 (B) in paragraph (3), by striking “52”
6 each place it appears and inserting “65”;

7 (2) by striking subsection (b);

8 (3) by redesignating subsections (c) through (g)
9 as subsections (b) through (f), respectively; and

10 (4) in subsection (f) (as redesignated by para-
11 graph (3) of this section), by striking “section
12 236(a)(5)(D)” and inserting “section 236”.

13 **CHAPTER 2—TRAINING, OTHER REEM-**
14 **PLOYMENT SERVICES, AND ALLOW-**
15 **ANCES**

16 **SEC. 121. REEMPLOYMENT SERVICES.**

17 (a) IN GENERAL.—Section 235 of the Trade Act of
18 1974 (19 U.S.C. 2295) is amended—

19 (1) in the heading, by striking “**EMPLOY-**
20 **MENT**” and inserting “**REEMPLOYMENT**”;

21 (2) by striking “The Secretary” the first place
22 it appears and inserting “(a) The Secretary”;

23 (3) by striking “counseling, testing, and place-
24 ment services, and supportive and other services”
25 and inserting “career counseling, testing and assess-

1 ments, and job placement services, and supportive
2 and other services”; and

3 (4) by adding at the end the following new sub-
4 section:

5 “(b) In order to facilitate the provision of services
6 described in subsection (a), the Secretary shall ensure the
7 effective implementation of the requirements of section
8 239(e) relating to the co-enrollment of adversely affected
9 workers in the dislocated worker program authorized
10 under chapter 5 of subtitle B of title I of the Workforce
11 Investment Act of 1998 (29 U.S.C. 2861 et seq.).”.

12 (b) CLERICAL AMENDMENT.—The table of contents
13 in section 1 of the Trade Act of 1974 is amended by strik-
14 ing the heading relating to part II of subchapter B of
15 chapter 2 of title II of the Trade Act of 1974 and the
16 item relating to section 235 of such Act and inserting the
17 following:

 “PART II—TRAINING, OTHER REEMPLOYMENT SERVICES, AND ALLOWANCES
 “Sec. 235. Reemployment services.”.

18 **SEC. 122. TRAINING.**

19 (a) IN GENERAL.—Section 236 of the Trade Act of
20 1974 (19 U.S.C. 2296) is amended to read as follows:

21 **“SEC. 236. TRAINING.**

22 “(a) APPROVAL OF TRAINING.—

23 “(1) IN GENERAL.—If the Secretary determines
24 that an adversely affected worker, including an ad-

1 versely affected worker who has obtained reemploy-
2 ment subsequent to separation from the adversely
3 affected employment, or an adversely affected in-
4 cumbent worker, meets the criteria described in
5 paragraph (2), and otherwise meets the require-
6 ments described under this section, the Secretary
7 shall approve the training program requested by the
8 worker. Upon such approval, the worker shall be en-
9 titled to have payment of the costs of such training
10 (subject to the limitations imposed by this section)
11 paid on the worker's behalf by the Secretary directly
12 or through a voucher system. The costs of such
13 training shall include the costs of tuition, books, re-
14 quired tools, and fees related to education, licensing,
15 or certification.

16 “(2) CRITERIA FOR APPROVAL OF TRAINING
17 PROGRAM.—For purposes of paragraph (1), training
18 for an adversely affected worker or an adversely af-
19 fected incumbent worker, shall be approved if the
20 Secretary determines that—

21 “(A) the worker needs additional market-
22 able skills to obtain or retain employment com-
23 parable to the worker's adversely affected em-
24 ployment;

1 “(B) there is a reasonable expectation of
2 such employment following the completion of
3 the training; and

4 “(C) the worker is qualified to undertake
5 and complete the training sought.

6 “(3) ENROLLMENT DEADLINE.—

7 “(A) IN GENERAL.—In order to receive as-
8 sistance under this section, a worker shall enroll
9 in a training program approved under para-
10 graph (1) not later than the later of—

11 “(i) the last day of the 39th week
12 after the worker’s most recent separation
13 from adversely affected employment which
14 meets the requirements of paragraphs (1)
15 and (2) of section 231(a); or

16 “(ii) the last day of the 13th week
17 after the week in which the Secretary
18 issues a certification under subchapter A
19 covering such worker.

20 “(B) EXTENSION FOR JUSTIFIABLE
21 CAUSE.—The Secretary may grant an extension
22 of the enrollment period described in subpara-
23 graph (A) for a worker if the Secretary deter-
24 mines that there is justifiable cause for such an
25 extension.

1 “(b) FUNDING FOR TRAINING.—

2 “(1) ANNUAL LIMIT ON AGGREGATE PAYMENTS
3 UNDER PROGRAM.—

4 “(A) IN GENERAL.—The total amount of
5 payments that may be made under subsection
6 (a)(1) for any fiscal year shall not exceed
7 \$220,000,000.

8 “(B) APPORTIONMENT AMONG STATES.—
9 The Secretary shall establish a method for ap-
10 portioning among States the funds that are
11 available for training under this chapter in any
12 fiscal year. Such method may include the use of
13 formula allotments and reallotments, and the
14 establishment of a reserve that is used to assist
15 in apportioning funds to those States in need of
16 additional funding during the fiscal year.

17 “(2) LIMITATIONS APPLICABLE TO WORKERS.—

18 “(A) DURATION.—Subject to subpara-
19 graph (C), the costs of a training program ap-
20 proved under subsection (a)(1) for an adversely
21 affected worker or an adversely affected incum-
22 bent worker shall be paid under this section for
23 a period not to exceed four years from the date
24 the worker first enrolled in the training pro-
25 gram. A worker may participate in such train-

1 ing program during such period on a full-time
2 or part-time basis. During the period of partici-
3 pation the worker shall make adequate yearly
4 progress, as determined by the Secretary, to-
5 ward the attainment of a license, certificate, or
6 degree pursuant to such training program in
7 order to remain eligible for assistance under
8 this section.

9 “(B) AMOUNT.—Subject to subparagraph
10 (C), the payments for a training program under
11 subsection (a)(1) for a worker may not exceed
12 \$4,000 for any one-year period, or a total of
13 \$8,000 over the maximum four-year period de-
14 scribed in subparagraph (A).

15 “(C) EXCEPTIONS.—

16 “(i) LITERACY TRAINING AND PRE-
17 REQUISITES.—If the Secretary determines
18 that an adversely affected worker or an ad-
19 versely affected incumbent worker needs
20 literacy training, English as a second lan-
21 guage instruction, remedial education, edu-
22 cational assistance to obtain a high school
23 diploma or General Equivalency Degree, or
24 prerequisites in order to participate in a
25 training program for occupations in de-

1 mand, the Secretary shall approve the pro-
2 vision of such activities and provide up to
3 \$1,000 in payments for such activities.
4 Such payments shall not be included for
5 purposes of applying the limits on pay-
6 ments described in subparagraph (B).

7 “(ii) ON-THE-JOB TRAINING.—The
8 provisions of subparagraphs (A) and (B)
9 shall not be applicable to on-the-job train-
10 ing programs, except as provided in sub-
11 section (f)(2).

12 “(3) DUPLICATIVE PAYMENTS PROHIBITED.—
13 No payment may be made under subsection (a)(1) of
14 the costs of training an adversely affected worker or
15 an adversely affected incumbent worker if such costs
16 are payable or have already been paid under any
17 other provision of Federal law.

18 “(4) REPORT.—

19 “(A) IN GENERAL.—Not later than May
20 31 and November 30 of each year, the Sec-
21 retary shall submit to the Committee on Fi-
22 nance of the Senate and the Committee on
23 Ways and Means of the House of Representa-
24 tives a report on—

1 “(i) the initial allocation among
2 States of funds for training approved
3 under this section;

4 “(ii) any additional distributions of
5 funds for training approved under this sec-
6 tion during the two most recent fiscal
7 quarters and cumulatively during the fiscal
8 year;

9 “(iii) the amount of funds obligated
10 and expended by the States to provide
11 training approved under this section dur-
12 ing the two most recent fiscal quarters and
13 cumulatively during the fiscal year; and

14 “(iv) the efforts of the Department of
15 Labor to ensure that each State receives
16 an appropriate level of funds during the
17 fiscal year to provide training approved
18 under this section to all eligible workers.

19 “(B) DEFINITION.—In this paragraph, the
20 term ‘fiscal quarter’ means any 3-month period
21 beginning on October 1, January 1, April 1, or
22 July 1 of a fiscal year.

23 “(c) TRAINING PROGRAMS THAT MAY BE AP-
24 PROVED.—The training programs that may be approved
25 under subsection (a) include—

1 “(1) employer-based training, including—

2 “(A) on-the-job training;

3 “(B) customized training; and

4 “(C) apprenticeship programs registered
5 under the National Apprenticeship Act (29
6 U.S.C. 50 et seq.);

7 “(2) a training program that leads to a license,
8 certificate, or degree and is linked to occupations in
9 demand, which may include training provided in
10 classroom, distance learning, and technology-based
11 learning;

12 “(3) a training program that has been deter-
13 mined by a State to be eligible to receive payments
14 under section 122 of the Workforce Investment Act
15 of 1998 (29 U.S.C. 2842);

16 “(4) a program of remedial education that will
17 enable a worker to obtain employment or to enroll
18 in a training program described in paragraph (2) or
19 (3); and

20 “(5) a training program for which all, or any
21 portion, of the costs of training the worker are
22 paid—

23 “(A) under any Federal or State program
24 other than this chapter; or

1 “(B) from any source other than this sec-
2 tion.

3 “(d) SHARING OF COSTS.—

4 “(1) IN GENERAL.—The Secretary is not re-
5 quired under subsection (a) to pay the costs of any
6 training approved under such subsection to the ex-
7 tent that such costs are paid—

8 “(A) under any Federal or State program
9 other than this chapter; or

10 “(B) from any source other than this sec-
11 tion.

12 “(2) COST-SHARING AGREEMENT.—Before ap-
13 proving any training to which paragraph (1) may
14 apply, the Secretary may require that the adversely
15 affected worker or the adversely affected incumbent
16 worker enter into an agreement with the Secretary
17 under which the Secretary will not be required to
18 pay under this section the portion of the costs of
19 such training that the worker has reason to believe
20 will be paid under the program, or by the source, de-
21 scribed in subparagraph (A) or (B) of paragraph
22 (1).

23 “(e) SUPPLEMENTAL ASSISTANCE.—

24 “(1) IN GENERAL.—The Secretary may, where
25 appropriate, authorize supplemental assistance nec-

1 essary to defray reasonable transportation and sub-
2 sistence expenses for separate maintenance when
3 training is provided in facilities that are not within
4 commuting distance of a worker's regular place of
5 residence.

6 “(2) LIMITATIONS.—The Secretary may not au-
7 thorize—

8 “(A) payments for subsistence that exceed
9 whichever is the lesser of—

10 “(i) the actual per diem expenses for
11 subsistence; or

12 “(ii) payments at 50 percent of the
13 prevailing per diem allowance rate author-
14 ized under the Federal travel regulations;
15 or

16 “(B) payments for travel expenses exceed-
17 ing the prevailing mileage rate authorized under
18 the Federal travel regulations.

19 “(f) PAYMENT OF COSTS OF ON-THE-JOB TRAIN-
20 ING.—

21 “(1) IN GENERAL.—The Secretary shall pay the
22 costs of any on-the-job training of an adversely af-
23 fected worker that is approved under subsection
24 (a)(l), but the Secretary may pay such costs, not-

1 withstanding any other provision of this section, only
2 if—

3 “(A) no currently employed worker is dis-
4 placed by such adversely affected worker (in-
5 cluding partial displacement such as a reduction
6 in the hours of nonovertime work, wages, or
7 employment benefits);

8 “(B) such training does not impair existing
9 contracts for services or collective bargaining
10 agreements;

11 “(C) in the case of training which would be
12 inconsistent with the terms of a collective bar-
13 gaining agreement, the written concurrence of
14 the labor organization concerned has been ob-
15 tained;

16 “(D) no other individual is on layoff from
17 the same, or any substantially equivalent, job
18 for which such adversely affected worker is
19 being trained;

20 “(E) the employer has not terminated the
21 employment of any regular employee or other-
22 wise reduced the work force of the employer
23 with the intention of filling the vacancy so cre-
24 ated by hiring such adversely affected worker;

1 “(F) the job for which such adversely af-
2 fected worker is being trained is not being cre-
3 ated in a promotional line that will infringe in
4 any way upon the promotional opportunities of
5 currently employed individuals;

6 “(G) such training is not for the same oc-
7 cupation from which the worker was separated
8 and with respect to which such worker’s group
9 was certified pursuant to section 222;

10 “(H) the employer is provided reimburse-
11 ment of not more than 50 percent of the wage
12 rate of the participant, for the cost of providing
13 the training and additional supervision related
14 to the training;

15 “(I) the duration of such training does not
16 exceed 1 year; and

17 “(J) the employer has not received pay-
18 ment under subsection (a)(1) with respect to
19 any other on-the-job training provided by such
20 employer which failed to meet the requirements
21 of subparagraphs (A), (B), (C), (D), (E), and
22 (F).

23 “(2) SUPPLEMENTARY TRAINING.—An on-the-
24 job training program approved under this section
25 may include, as a component of such program, the

1 provision of training with a provider other than the
2 employer that is not provided on-the-job and is de-
3 signed to enhance the occupational skills of the
4 worker. The costs of such training shall be subject
5 to the limitation described in subsection (b)(2)(B).

6 “(g) EFFECT OF APPROVED TRAINING ON ELIGI-
7 BILITY FOR UNEMPLOYMENT COMPENSATION.—A worker
8 may not be determined to be ineligible or disqualified for
9 unemployment insurance or program benefits under this
10 subchapter because the individual is in training approved
11 under subsection (a), because of leaving work which is not
12 comparable employment to enter such training, or because
13 of the application to any such week in training of provi-
14 sions of State law or Federal unemployment insurance law
15 relating to availability for work, active search for work,
16 or refusal to accept work.

17 “(h) DEFINITION.—In this section, the term ‘cus-
18 tomized training’ means training that is—

19 “(1) designed to meet the special requirements
20 of an employer or group of employers;

21 “(2) conducted with a commitment by the em-
22 ployer or group of employers to employ an individual
23 upon successful completion of the training; and

1 “(3) for which the employer pays for a signifi-
2 cant portion of the cost of such training, as deter-
3 mined by the Secretary.”.

4 (b) CONFORMING AMENDMENTS.—Part II of sub-
5 chapter B of chapter 2 of title II of the Trade Act of 1974
6 (19 U.S.C. 2295 et seq.) is amended—

7 (1) in section 237(b)(2), by striking “section
8 236(b)(1) and (2)” and inserting “section 236”; and

9 (2) in subsections (b)(1) and (c)(2) of section
10 238, by striking “section 236(b)(1) and (2)” each
11 place it appears and inserting “section 236”.

12 **SEC. 123. JOB SEARCH ALLOWANCES.**

13 Section 237(a)(2) of the Trade Act of 1974 (19
14 U.S.C. 2297(a)(2)) is amended—

15 (1) in subparagraph (B), by striking “suitable”
16 and inserting “comparable”; and

17 (2) in subparagraph (C)(ii), by striking “, un-
18 less the worker received a waiver under section
19 231(c)”.

20 **SEC. 124. RELOCATION ALLOWANCES.**

21 Section 238(a)(2) of the Trade Act of 1974 (19
22 U.S.C. 2298(a)(2)) is amended—

23 (1) in subparagraph (B), by striking “suitable”
24 and inserting “comparable”;

25 (2) in subparagraph (D)—

1 (A) in the heading, by striking “SUIT-
2 ABLE” and inserting “OUT-OF-AREA”; and

3 (B) in clause (i) to read as follows:

4 “(i) has obtained employment afford-
5 ing a reasonable expectation of long-term
6 duration in the area in which the worker
7 wishes to relocate and which provides
8 wages that are substantially greater than
9 the wages for the employment that is likely
10 to be available to the worker in the area
11 from which the worker would be relocating;
12 and”; and

13 (3) in subparagraph (E)(ii), by striking “, un-
14 less the worker received a waiver under section
15 231(c)”.

16 **Subtitle C—General Provisions**

17 **SEC. 131. AGREEMENTS WITH STATES.**

18 (a) IN GENERAL.—Subsection (a) of section 239 of
19 the Trade Act of 1974 (19 U.S.C. 2311) is amended—

20 (1) in the matter preceding clause (1), by strik-
21 ing “any State agency” and inserting “a State agen-
22 cy”;

23 (2) in clause (2), to read as follows: “(2) in ac-
24 cordance with subsections (e) and (f), will afford ad-
25 versely affected workers testing and assessments, ca-

1 reer counseling, referral to training and job search
2 programs, and job placement services, and”;

3 (3) by striking clause (3); and

4 (4) by redesignating clause (4) as clause (3).

5 (b) ADMINISTRATION.—Subsection (e) of such sec-
6 tion is amended—

7 (1) in the first sentence, to read as follows:

8 “Any agreement entered into under this section shall
9 provide for the administration of the provision for
10 reemployment services, training, and supplemental
11 assistance under sections 235 and 236 of this Act by
12 the same State agency responsible for the adminis-
13 tration of the State workforce investment program
14 funded under title I of the Workforce Investment
15 Act of 1998 (29 U.S.C. 2801 et seq.) and shall in-
16 clude such terms and conditions as are established
17 by the Secretary in consultation with the States and
18 set forth in such agreement.”;

19 (2) in the second sentence, by striking “Any
20 agency” and inserting “The agency”; and

21 (3) by adding at the end the following new sen-
22 tence: “The terms and conditions set forth in the
23 agreement shall include at a minimum that—

24 “(1) adversely affected workers applying for as-
25 sistance under this chapter shall be co-enrolled in

1 the dislocated worker program authorized under
2 chapter 5 of subtitle B of title I of the Workforce
3 Investment Act of 1998 (29 U.S.C. 2861 et seq.);
4 and

5 “(2) the services provided under this chapter
6 shall be administered through the one-stop delivery
7 system established under title I of such Act (29
8 U.S.C. 2801 et seq.).”.

9 (c) COOPERATING STATE AGENCY.—Subsection (f)
10 of such section is amended—

11 (1) in paragraph (2), by adding “and” at the end;

12 (2) by striking paragraph (3);

13 (3) by redesignating paragraph (4) as paragraph (3);

14 and

15 (4) in paragraph (3) (as redesignated by paragraph
16 (3) of this subsection), by striking “suitable”.

17 (d) PERFORMANCE ACCOUNTABILITY.—Such section
18 is further amended by adding at the end the following new
19 subsection:

20 “(h) PERFORMANCE ACCOUNTABILITY.—

21 “(1) IN GENERAL.—Any agreement entered
22 into under this section shall include performance
23 measures that the cooperating State or State agency
24 is expected to achieve with respect to the program
25 carried out under this chapter. The performance

1 measures shall consist of indicators of performance
2 and levels of performance applicable to each indi-
3 cator.

4 “(2) INDICATORS OF PERFORMANCE.—The in-
5 dicators of performance shall be—

6 “(A) entry into employment;

7 “(B) retention in employment;

8 “(C) average earnings; and

9 “(D) such other indicators as the Sec-
10 retary determines are appropriate.

11 “(3) LEVELS OF PERFORMANCE.—The levels of
12 performance for each State for the indicators of per-
13 formance described in paragraph (2) shall be deter-
14 mined by the Secretary, after consultation with the
15 State.

16 “(4) PERFORMANCE REPORTING.—Any agree-
17 ment shall also include a requirement that the State
18 annually report to the Secretary the level of per-
19 formance achieved with respect to each indicator
20 under the program carried out under this chapter in
21 the preceding fiscal year, and the State shall submit
22 such additional reports regarding the performance of
23 programs as the Secretary may require. The Sec-
24 retary shall make the information contained in the
25 annual reports available to the general public

1 through publication on the Website of the Depart-
2 ment of Labor and other appropriate methods and
3 shall provide copies of the reports to the Committee
4 on Ways and Means of the House of Representatives
5 and the Committee on Finance of the Senate. The
6 Secretary shall also publish on the Website of the
7 Department of Labor a list identifying those States
8 that fail to submit reports to the Secretary on a
9 timely basis or fail to submit accurate reports.”.

10 **SEC. 132. AUTHORIZATION OF APPROPRIATIONS; INCEN-**
11 **TIVE PAYMENTS TO STATES.**

12 (a) IN GENERAL.—Subsection (a) of section 245 of
13 the Trade Act of 1974 (19 U.S.C. 2317) is amended by
14 striking “December 31, 2007” and inserting “September
15 30, 2012”.

16 (b) INCENTIVE PAYMENTS TO STATES.—Such sec-
17 tion is further amended by adding at the end the following
18 new subsection:

19 “(c) INCENTIVE PAYMENTS TO STATES.—If, in the
20 last quarter of any fiscal year, the Secretary determines
21 that the amount of funds needed to make payments for
22 the costs of training under this chapter for such fiscal year
23 will not reach the amount of the limitation described in
24 section 236(b)(1)(A) and funds appropriated to make pay-
25 ments for the costs of such training remain available for

1 obligation, the Secretary may use not more than an
2 amount equal to five percent of the amount of the limita-
3 tion described in such section 236(b)(1)(A) to award funds
4 to States that the Secretary determines have dem-
5 onstrated exemplary performance in carrying out the pro-
6 gram under this chapter with respect to exceeding the per-
7 formance levels established pursuant to section 239(h) and
8 with respect to such other factors as the Secretary deter-
9 mines appropriate. Such funds shall be available to the
10 States for the purpose of enhancing the administration of
11 the program which may include improvements to manage-
12 ment information systems, targeted outreach, staff train-
13 ing, and enhanced services to participants.”.

14 (c) CONFORMING AND CLERICAL AMENDMENTS.—

15 (1) CONFORMING AMENDMENT.—Such section
16 is further amended in the heading by inserting be-
17 fore the period at the end the following: “; **INCEN-**
18 **TIVE PAYMENTS TO STATES**”.

19 (2) CLERICAL AMENDMENT.—The table of con-
20 tents in section 1 of the Trade Act of 1974 is
21 amended by striking the item relating to section 245
22 and inserting the following:

“Sec. 245. Authorization of appropriations; incentive payments to States.”.

1 **SEC. 133. PHASE-OUT OF DEMONSTRATION PROJECT FOR**
2 **ALTERNATIVE TRADE ADJUSTMENT ASSIST-**
3 **ANCE FOR OLDER WORKERS.**

4 Section 246(b)(1) of the Trade Act of 1974 (19
5 U.S.C. 2318(b)(1)) is amended by striking “the date that
6 is 5 years after the date under which such program is im-
7 plemented by the State” and inserting “September 30,
8 2008”.

9 **SEC. 134. WAGE SUPPLEMENT PROGRAM.**

10 (a) IN GENERAL.—Chapter 2 of title II of the Trade
11 Act of 1974 (19 U.S.C. 2271 et seq.) is amended by in-
12 serting after section 246 the following new section:

13 **“SEC. 246A. WAGE SUPPLEMENT PROGRAM.**

14 “(a) ESTABLISHMENT.—Beginning on October 1,
15 2008, the Secretary shall establish a program to provide
16 the benefits described in subsection (b) to an adversely
17 affected worker who meets the eligibility criteria described
18 in subsection (c), including the requirement that such
19 worker be employed for the minimum number of hours per
20 week described in subsection (c)(3).

21 “(b) BENEFITS.—

22 “(1) AMOUNT OF PAYMENTS.—A State shall
23 use the funds provided to the State under section
24 241 to pay an hourly wage supplement to an eligible
25 adversely affected worker for a period not to exceed
26 2 years, in an amount equal to the difference, if any

1 (but not less than zero) resulting from subtracting
2 the amount described in paragraph (2)(B) from the
3 amount described in paragraph (2)(A).

4 “(2) FACTORS.—(A) For purposes of paragraph
5 (1), the amount described in this subparagraph is
6 the sum of—

7 “(i) whichever is the highest of—

8 “(I) the hourly minimum wage that is
9 applicable to a worker under the Fair
10 Labor Standards Act of 1938 (29 U.S.C.
11 201 et seq.), or if such worker is exempt
12 under section 13 of such Act (29 U.S.C.
13 213), the hourly minimum wage that
14 would be applicable if section 6(a)(1) of
15 such Act (29 U.S.C. 206(a)(1)) were ap-
16 plied; or

17 “(II) the applicable State or local
18 hourly minimum wage; and

19 “(ii) \$2.40.

20 “(B) For purposes of paragraph (1), the
21 amount described in this subparagraph is the hourly
22 wage actually paid to such worker.

23 “(3) HEALTH INSURANCE ELIGIBILITY.—A
24 worker described in subsection (c) who is partici-
25 pating in the program established under subsection

1 (a) is eligible to receive, for a period not to exceed
2 2 years, a credit for health insurance costs to the ex-
3 tent provided under section 35 of the Internal Rev-
4 enue Code of 1986.

5 “(c) ELIGIBILITY FOR WAGE SUPPLEMENT.—A
6 worker in a group that the Secretary has certified as eligi-
7 ble to apply for adjustment assistance under section 223
8 may elect to receive the benefits described in subsection
9 (b) if such worker—

10 “(1) is covered by a certification under sub-
11 chapter A of this chapter;

12 “(2) meets the requirements of paragraphs (1)
13 and (2) of section 231(a));

14 “(3) is employed for an average of at least 30
15 hours per week, which may include employment as
16 part of an apprenticeship program registered under
17 the National Apprenticeship Act (20 U.S.C. 50 et
18 seq.);

19 “(4) does not return to the employment from
20 which the worker was separated; and

21 “(5) has not received any payments under sec-
22 tion 246 while covered under the same certification
23 as described in paragraph (1).

24 “(d) EFFECT ON OTHER BENEFITS.—A worker re-
25 ceiving payments under this section shall not be eligible

1 to receive other benefits under this chapter except for
2 training assistance provided under section 236 (provided
3 that such worker otherwise meets the requirements of sec-
4 tion 236) or the assistance described in subsection (b)(3).
5 A worker may receive payments under this section during
6 breaks in training that exceed the period described in sec-
7 tion 233(e) if the worker otherwise meets the requirements
8 of this section.”.

9 (b) CLERICAL AMENDMENT.—The table of contents
10 in section 1 of the Trade Act of 1974 is amended by in-
11 serting after the item relating to section 246 the following:

“Sec. 246A. Wage supplement program.”.

12 **SEC. 135. DEFINITIONS.**

13 Section 247 of the Trade Act of 1974 (19 U.S.C.
14 2319) is amended by adding at the end the following new
15 paragraphs:

16 “(18) The term ‘comparable employment’
17 means, with respect to a worker, work of a substan-
18 tially equal or higher skill level than the worker’s
19 past adversely affected employment, and wages for
20 such work at not less than 80 percent of the work-
21 er’s average weekly wage.

22 “(19) The term ‘adversely affected incumbent
23 worker’ means a worker who is a member of a group
24 of workers who have been certified as eligible to
25 apply for adjustment assistance under subchapter A

1 and who has not been separated from adversely af-
2 fected employment.”.

3 **SEC. 136. CAPACITY-BUILDING GRANTS TO ENHANCE**
4 **TRAINING FOR WORKERS.**

5 (a) IN GENERAL.—Chapter 2 of title II of the Trade
6 Act of 1974 (19 U.S.C. 2271 et seq.) is amended by add-
7 ing at the end the following new section:

8 **“SEC. 250. CAPACITY-BUILDING GRANTS TO ENHANCE**
9 **TRAINING FOR WORKERS.**

10 “(a) IN GENERAL.—The Secretary may award grants
11 to eligible entities described in subsection (b) to tempo-
12 rarily increase the capacity of such entities, through the
13 activities authorized under subsection (c), to provide train-
14 ing to workers as provided for in section 236.

15 “(b) ELIGIBLE ENTITIES.—An eligible entity re-
16 ferred to in subsection (a) is—

17 “(1) a community college (as such term is de-
18 fined in section 202(a)(2) of the Carl D. Perkins Vo-
19 cational and Applied Technology Education Amend-
20 ments of 1998 (20 U.S.C. 2371(a)(2)) that provides
21 training for occupations in demand; or

22 “(2) a provider of training for occupations in
23 demand that is eligible to receive funds under sec-
24 tion 122 of the Workforce Investment Act of 1998
25 (29 U.S.C. 2842).

1 “(c) AUTHORIZED ACTIVITIES.—An eligible entity
2 that is awarded a grant under this section shall utilize
3 funds under the grant to expand available training slots
4 and prepare adversely affected workers and adversely af-
5 fected incumbent workers under this chapter for occupa-
6 tions in demand by conducting such activities as the Sec-
7 retary may authorize, including—

8 “(1) the development of education and training
9 curricula, which may be developed in consultation
10 with employers of incumbent workers, local work-
11 force investment boards (as defined in section 117 of
12 the Workforce Investment Act of 1998 (29 U.S.C.
13 2832)), labor organizations that represent individ-
14 uals currently employed in occupations in demand
15 for the local area, regional economic development
16 agencies, one-stop operators (as defined in section
17 101(29) of such Act (29 U.S.C. 2801(29)), commu-
18 nity-based organizations, or any other public or pri-
19 vate entity that is likely to employ or facilitate the
20 employment of adversely affected workers in occupa-
21 tions in demand;

22 “(2) the hiring of additional faculty and staff;

23 “(3) the acquisition of new equipment or the
24 upgrading of existing equipment, which shall be nec-
25 essary to facilitate the teaching of job skills to ad-

1 versely affected workers and adversely affected in-
2 cumbent workers; and

3 “(4) the development of a program to provide
4 on-the-job training experiences for adversely affected
5 workers in coordination with local employers that
6 have committed to employ adversely affected workers
7 following successful completion of the program.

8 “(d) APPLICATION.—

9 “(1) REQUESTS FOR APPLICATIONS.—

10 “(A) BY THE SECRETARY.—In each fiscal
11 year, and at such times as the Secretary may
12 determine, the Secretary may request applica-
13 tions from eligible entities to carry out activities
14 authorized under this section.

15 “(B) BY AN ELIGIBLE ENTITY.—At any
16 time, and in such form and manner as the Sec-
17 retary may prescribe, an eligible entity may rec-
18 ommend that the Secretary initiate a request
19 for capacity building grant applications if the
20 eligible entity believes that there has been or
21 will be a sudden and significant shortage of
22 training slots available to adversely affected
23 workers and adversely affected incumbent work-
24 ers in a local area.

1 “(2) INFORMATION REQUIRED FOR APPLICA-
2 TION.—To be eligible to receive a grant under this
3 section, an applicant shall provide to the Secretary
4 the following information in the application:

5 “(A) A description of the factors in a local
6 area that have resulted or may result in a sig-
7 nificant increase in demand for training slots by
8 adversely affected workers and adversely af-
9 fected incumbent workers, which may include—

10 “(i) mass layoffs at firms that are be-
11 lieved to employ a large number of ad-
12 versely affected workers;

13 “(ii) imminent closure or relocation of
14 facilities that are believed to employ a
15 large number of adversely affected work-
16 ers; and

17 “(iii) prevailing labor market condi-
18 tions that may have an immediate, measur-
19 able adverse employment impact on the
20 employment of adversely affected workers.

21 “(B) A description of the number of train-
22 ing slots currently available to adversely af-
23 fected workers and adversely affected incum-
24 bent workers, and the number of proposed addi-

1 tional slots to be made available using funds
2 under the grant.

3 “(C) A description of the potential number
4 of adversely affected workers and adversely af-
5 fected incumbent workers in the local area who
6 would be able to access increased training slots.

7 “(D) A description of the commitment
8 made by local employers, labor organizations,
9 and other public or private organizations to as-
10 sist in the development of training and related
11 curricula for the benefit of adversely affected
12 workers and adversely affected incumbent work-
13 ers.

14 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
15 are authorized to be appropriated to carry out this section
16 \$50,000,000 for each of fiscal years 2008 through 2012.”.

17 (b) CLERICAL AMENDMENT.—The table of contents
18 in section 1 of the Trade Act of 1974 is amended by in-
19 serting after the item relating to section 249 the following:

“Sec. 250. Capacity-building grants to enhance training for workers.”.

20 **Subtitle D—Effective Date**

21 **SEC. 141. EFFECTIVE DATE.**

22 The amendments made by this title shall take effect
23 beginning 90 days after the date of the enactment of this
24 Act.

1 **TITLE II—OTHER TRADE AD-**
2 **JUSTMENT ASSISTANCE PRO-**
3 **GRAMS AND RELATED PROVI-**
4 **SIONS**

5 **SEC. 201. TECHNICAL ASSISTANCE FOR FIRMS.**

6 Section 253 of the Trade Act of 1974 (19 U.S.C.
7 2343) is amended by adding at the end the following new
8 subsections:

9 “(c)(1) Any grant made under subsection (b)(3) shall
10 include performance measures that an intermediary orga-
11 nization is expected to achieve with respect to the program
12 carried out under this chapter. The performance measures
13 shall consist of indicators of performance described in
14 paragraph (2) and levels of performance described in para-
15 graph (3) applicable to each such indicator of perform-
16 ance.

17 “(2) The indicators of performance referred to in
18 paragraph (1) are the following:

19 “(A) The extent to which outreach efforts effec-
20 tively apprise import-impacted firms likely to benefit
21 from the program about resources available under
22 the program.

23 “(B) The extent to which firms receiving ad-
24 justment assistance under section 252 meet or ex-
25 ceed targets to retain or create employment.

1 “(C) The percentage of workers totally or par-
2 tially separated from employment that have returned
3 to work or returned to their previous level of employ-
4 ment.

5 “(D) The extent to which firms receiving ad-
6 justment assistance under section 252 meet or ex-
7 ceed targets for maintaining or increasing sales or
8 production.

9 “(E) Such other indicators of performance as
10 the Secretary may determine are appropriate.

11 “(3) The levels of performance referred to in para-
12 graph (1) shall be determined by the Secretary, after con-
13 sultation with the intermediary organization. In reviewing
14 an intermediary organization’s levels of performance, the
15 Secretary shall take into consideration economic condi-
16 tions affecting the region served by the organization that
17 may affect that performance.

18 “(4)(A) Any grant made under subsection (b)(3)
19 shall also include a requirement that the intermediary or-
20 ganization submit to the Secretary a report on an annual
21 basis on the levels of performance achieved with respect
22 to each indicator of performance under the program car-
23 ried out under this chapter in the preceding fiscal year,
24 and such additional reports regarding such indicators of
25 performance as the Secretary may require.

1 “(B) The Secretary shall make the information con-
2 tained in the reports described in subparagraph (A) avail-
3 able to the general public through publication on the
4 Website of the Economic Development Administration and
5 other appropriate methods. The Secretary shall provide
6 copies of the reports described in subparagraph (A) to the
7 Committee on Ways and Means of the House of Rep-
8 resentatives and the Committee on Finance of the Senate.

9 “(C) The Secretary shall also publish on the Website
10 of the Economic Development Administration a list that
11 identifies those intermediary organizations that fail to
12 submit reports to the Secretary in accordance with sub-
13 paragraph (A) on a timely basis or fail to submit accurate
14 reports to the Secretary in accordance with subparagraph
15 (A).

16 “(d) At least once every three years, the Secretary
17 shall provide for an independent evaluation of each inter-
18 mediary organization receiving assistance under this sec-
19 tion to assess the intermediary organization’s performance
20 and contribution toward retention and creation of employ-
21 ment. The purpose of the evaluations shall be to determine
22 which intermediary organizations are performing well and
23 merit continued assistance under this section and which
24 intermediary organizations should not receive continued
25 assistance under this section, so that other universities

1 and intermediary organizations that have not previously
2 received assistance under this section may participate in
3 the program carried out under this chapter.”.

4 **SEC. 202. EXTENSION OF TRADE ADJUSTMENT ASSISTANCE**
5 **FOR FIRMS.**

6 Section 256(b) of the Trade Act of 1974 (19 U.S.C.
7 2346(b)) is amended—

8 (1) by striking “and \$4,000,000” and inserting
9 “\$4,000,000”; and

10 (2) by inserting after “October 1, 2007,” the
11 following: “\$15,000,000 for the 9-month period be-
12 ginning on January 1, 2008, and \$19,000,000 for
13 each of the fiscal years 2009 through 2012,”.

14 **SEC. 203. EXTENSION OF TRADE ADJUSTMENT ASSISTANCE**
15 **FOR FARMERS.**

16 Section 298(a) of the Trade Act of 1974 (19 U.S.C.
17 2401g(a)) is amended by adding at the end the following
18 new sentence: “There are authorized to be appropriated
19 to the Department of Agriculture to carry out this chapter
20 \$81,000,000 for the 9-month period beginning on January
21 1, 2008, and \$90,000,000 for each of the fiscal years 2009
22 through 2012.”.

1 **SEC. 204. JUDICIAL REVIEW.**

2 (a) IN GENERAL.—Section 284(a) of the Trade Act
3 of 1974 (19 U.S.C. 2395(a)) is amended in the first sen-
4 tence—

5 (1) by striking “or authorized representative”
6 and inserting “or other duly authorized representa-
7 tive”;

8 (2) by striking “aggrieved” and inserting “, or
9 any of the individuals or entities described in section
10 221(a)(1)(C), aggrieved (or on behalf of such work-
11 ers aggrieved)”; and

12 (3) by striking “section 223” and inserting
13 “section 226”.

14 (b) EFFECTIVE DATE.—The amendments made by
15 subsection (a) shall take effect beginning 90 days after
16 the date of the enactment of this Act.

17 **SEC. 205. TERMINATION.**

18 Section 285 of the Trade Act of 1974 (19 U.S.C.
19 2271 note) is amended by striking “December 31, 2007”
20 each place it appears and inserting “September 30,
21 2012”.

1 **TITLE III—MISCELLANEOUS**
2 **PROVISIONS**

3 **SEC. 301. CREDIT REDUCTION FOR FAILURES RELATING TO**
4 **CO-ENROLLMENT OF PARTICIPANTS AND**
5 **PROGRAM PERFORMANCE REPORTS.**

6 (a) IN GENERAL.—Paragraph (3) of section 3302(c)
7 of the Internal Revenue Code of 1986 is amended—

8 (1) by striking “(3) If” and inserting “(3) (A)
9 Except as provided in subparagraph (B), if”,

10 (2) by redesignating subparagraphs (A) and
11 (B) as clauses (i) and (ii), respectively, and

12 (3) by adding at the end the following new sub-
13 paragraph:

14 “(B) If the Secretary of Labor determines that
15 a State, or State agency, failed to meet the require-
16 ments of subsections (e)(1) (relating to the co-enroll-
17 ment of participants) or (h)(3) (relating to the sub-
18 mission of reports on program performance) of sec-
19 tion 239 of the Trade Act of 1974, the Secretary of
20 Labor may direct that, in the case of a taxpayer
21 subject to the unemployment compensation law of
22 such State, the total credits (after applying sub-
23 sections (a) and (b) and paragraphs (1) and (2) of
24 this section) otherwise allowable under this section
25 for a year during which such State or agency fails

1 to meet those requirements shall (in lieu of reduc-
2 tion under subparagraph (A)) be reduced by 3 per-
3 cent of the tax imposed with respect to wages paid
4 by such taxpayer during such year which are attrib-
5 utable to such State.”.

6 (b) EFFECTIVE DATE.—The amendments made by
7 this section shall apply with respect to taxable years begin-
8 ning after September 30, 2008.

9 **SEC. 302. TAA WAGE SUPPLEMENT PARTICIPANTS ELIGI-**
10 **BILITY FOR CREDIT FOR HEALTH INSURANCE**
11 **COSTS.**

12 (a) ELIGIBILITY.—Paragraph (1) of section 35(c) of
13 the Internal Revenue Code of 1986 is amended by striking
14 “and” at the end of subparagraph (B), by striking the
15 period at the end of subparagraph (C) and inserting “,
16 and” , and by adding after subparagraph (C) the fol-
17 lowing:

18 “(D) an eligible TAA wage supplement re-
19 cipient.”.

20 (b) ELIGIBLE TAA WAGE SUPPLEMENT RECIPIENT
21 DEFINED.—Subsection (c) of section 35 of such Code is
22 amended by adding after paragraph (4) the following:

23 “(5) ELIGIBLE TAA WAGE SUPPLEMENT RECIPI-
24 ENT.—The term ‘eligible TAA wage supplement re-

1 cipient’ means, with respect to any month, any indi-
2 vidual who—

3 “(A) is a worker described in section
4 246A(c) of the Trade Act of 1974 who is par-
5 ticipating in the wage supplement program es-
6 tablished under section 246A(a) of such Act,
7 and

8 “(B) is receiving a benefit for such month
9 under section 246A(b) of such Act.

10 An individual shall continue to be treated as an eli-
11 gible TAA wage supplement recipient during the
12 first month that such individual would otherwise
13 cease to be an eligible TAA wage supplement recipi-
14 ent by reason of the preceding sentence.”.

15 (c) QUALIFIED HEALTH INSURANCE.—Subpara-
16 graph (J) of section 35(e)(1) of such Code is amended
17 by striking “or” at the end of clause (ii), by striking the
18 period at the end of clause (iii) and inserting “, or” , and
19 by inserting after clause (iii) the following:

20 “(iv) in the case of an eligible TAA
21 wage supplement recipient, the benefit de-
22 scribed in subsection (c)(5)(B).”.

23 (d) SUBSIDIZED COVERAGE.—Subparagraph (B) of
24 section 35(f)(1) of such Code is amended —

1 (1) by inserting “or an eligible TAA wage sup-
2 plement recipient” after “eligible alternative TAA
3 recipient” in the matter preceding clause (i), and

4 (2) by inserting “OR ELIGIBLE TAA WAGE SUP-
5 PLEMENT RECIPIENTS” after “ELIGIBLE ALTER-
6 NATIVE TAA RECIPIENTS” in the heading.

7 (e) ADVANCE PAYMENT OF HCTC.—Paragraph (1)
8 of section 7527(d) of such Code is amended by striking
9 “or an eligible alternative TAA recipient (as defined in
10 section 35(c)(3))” and inserting “, an eligible alternative
11 TAA recipient (as defined in section 35(c)(3)), or an eligi-
12 ble TAA wage supplement recipient (as defined in section
13 35(c)(5))”.

14 (f) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to taxable years beginning after
16 December 31, 2007.

17 **SEC. 303. SPECIAL ALLOCATION UNDER NEW MARKETS TAX**

18 **CREDIT IN CONNECTION WITH TRADE AD-**

19 **JUSTMENT ASSISTANCE.**

20 (a) IN GENERAL.—Section 45D of the Internal Rev-
21 enue Code of 1986 is amended by redesignating subsection
22 (i) as subsection (j) and by inserting after subsection (h)
23 the following new subsection:

24 “(i) SPECIAL ALLOCATIONS IN CONNECTION WITH
25 TRADE ADJUSTMENT ASSISTANCE.—

1 “(1) ALLOCATIONS.—The new markets tax
2 credit limitation otherwise determined under sub-
3 section (f)(1) shall be increased by an amount equal
4 to \$500,000,000 for 2008 to be allocated among
5 qualified community development entities to make
6 capital or equity investments in, or loans to, quali-
7 fied TAA businesses.

8 “(2) RESTRICTION ON DESIGNATION.—A quali-
9 fied community development entity receiving an allo-
10 cation under paragraph (1) may not use such alloca-
11 tion to designate any qualified equity investment
12 under subsection (b)(1)(C) unless substantially all of
13 such investment is used for the purpose described in
14 paragraph (1).

15 “(3) QUALIFIED TAA BUSINESSES.—For pur-
16 poses of this subsection—

17 “(A) IN GENERAL.—The term ‘qualified
18 TAA business’ means, with respect to any tax-
19 able year—

20 “(i) any qualified active low-income
21 community business (as defined in sub-
22 section (d)(2)) which meets the require-
23 ments of clause (i) or (ii) of subparagraph
24 (B) for such taxable year, and

25 “(ii) any specified TAA business.

1 “(B) SPECIFIED TAA BUSINESS.—The
2 term ‘specified TAA business’ means, with re-
3 spect to any taxable year, any corporation (in-
4 cluding a nonprofit corporation) or partnership
5 if—

6 “(i) not less than 40 percent of the
7 individuals hired by such entity during
8 such taxable year were eligible TAA recipi-
9 ents (as defined in section 35(c)(2)) or eli-
10 gible alternative TAA recipients (as de-
11 fined in section 35(c)(3)) with respect to
12 any month beginning during the 1-year pe-
13 riod ending on the hiring date (as defined
14 in section 51(d)) of such individual,

15 “(ii) such entity is certified by the
16 Secretary of Commerce as eligible to apply
17 for adjustment assistance under chapter 3
18 of title II of the Trade Act of 1974 with
19 respect to any portion of the taxable year
20 in which the investment or loan referred to
21 in paragraph (1) is made, and

22 “(iii) the Secretary determines that
23 such entity will utilize the assistance pro-
24 vided pursuant to this section in a manner

1 consistent with the purposes of subsection
2 (d)(2)(A).

3 The requirement of clause (i) shall be treated
4 as satisfied for any taxable year if such clause
5 would be satisfied if all individuals hired by
6 such entity during such taxable year and all
7 preceding taxable years which are not before
8 the taxable year in which the investment or
9 loan referred to in paragraph (1) was made
10 were taken into account.

11 “(4) REALLOCATIONS.—Subsection (f)(3) shall
12 be applied separately with respect to the amount of
13 the increase under paragraph (1).”.

14 (b) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to allocations made after December
16 31, 2007.

17 **SEC. 304. EXPEDITED REEMPLOYMENT DEMONSTRATION**
18 **PROJECTS.**

19 Title III of the Social Security Act (42 U.S.C. 501
20 and following) is amended by adding at the end the fol-
21 lowing:

22 “DEMONSTRATION PROJECTS

23 “SEC. 305. (a) The Secretary of Labor may enter
24 into agreements, with States submitting an application de-
25 scribed in subsection (b), for the purpose of allowing such

1 States to conduct demonstration projects to test and
2 evaluate measures designed—

3 “(1) to expedite, such as through the use of a wage
4 insurance program, the reemployment of individuals who
5 establish initial eligibility for unemployment compensation
6 under the State law of such State; or

7 “(2) to improve the effectiveness of such State in car-
8 rying out its State law.

9 “(b) The Governor of any State desiring to conduct
10 a demonstration project under this section shall submit
11 an application to the Secretary of Labor at such time, in
12 such manner, and including such information as the Sec-
13 retary of Labor may require. Any such application shall,
14 at a minimum, include—

15 “(1) a general description of the proposed dem-
16 onstration project, including the authority (under
17 the laws of the State) for the measures to be tested,
18 as well as the period of time during which such dem-
19 onstration project would be conducted;

20 “(2) if a waiver under subsection (c) is re-
21 quested, the specific aspects of the project to which
22 the waiver would apply and the reasons why such
23 waiver is needed;

24 “(3) a description of the goals and the expected
25 programmatic outcomes of the demonstration

1 project, including how the project would contribute
2 to the objective described in subsection (a)(1), sub-
3 section (a)(2), or both;

4 “(4) assurances (accompanied by supporting
5 analysis) that the demonstration project would not
6 result in any increased net costs to the State’s ac-
7 count in the Unemployment Trust Fund;

8 “(5) a description of the manner in which the
9 State—

10 “(A) will conduct an impact evaluation,
11 using a control or comparison group or other
12 valid methodology, of the demonstration project;
13 and

14 “(B) will determine the extent to which the
15 goals and outcomes described in paragraph (3)
16 were achieved; and

17 “(6) assurances that the State will provide any
18 reports relating to the demonstration project, after
19 its approval, as the Secretary of Labor may require.

20 “(c) The Secretary of Labor may waive any of the
21 requirements of section 3304(a)(4) of the Internal Rev-
22 enue Code of 1986 or of paragraph (1) or (5) of section
23 303(a), to the extent and for the period the Secretary of
24 Labor considers necessary to enable the State to carry out
25 a demonstration project under this section.

1 “(d) A demonstration project under this section—

2 “(1) may be commenced any time after Sep-
3 tember 30, 2007; and

4 “(2) may not, under subsection (b), be ap-
5 proved for a period of time greater than 2 years,
6 subject to extension upon request of the Governor of
7 the State involved for such additional period as the
8 Secretary of Labor may agree to, except that in no
9 event may a demonstration project under this sec-
10 tion be conducted after the end of the 5-year period
11 beginning on the date of the enactment of this sec-
12 tion.

13 “(e) The Secretary of Labor shall, in the case of any
14 State for which an application is submitted under sub-
15 section (b)—

16 “(1) notify the State as to whether such appli-
17 cation has been approved or denied within 90 days
18 after receipt of a complete application, and

19 “(2) provide public notice of the decision within
20 10 days after providing notification to the State in
21 accordance with paragraph (1).

22 Public notice under paragraph (2) may be provided
23 through the Internet or other appropriate means. Any ap-
24 plication under this section that has not been approved
25 within such 90 days shall be treated as denied.

1 “(f) The Secretary of Labor may terminate a dem-
2 onstration project under this section if the Secretary de-
3 termines that the State has not complied with the terms
4 and conditions of the project.”.

5 **SEC. 305. INCREASE IN PERCENTAGE OF TAA AND PBGC**
6 **HEALTH INSURANCE TAX CREDIT.**

7 (a) IN GENERAL.—Subsection (a) of section 35 of the
8 Internal Revenue Code of 1986 is amended by striking
9 “65 percent” and inserting “70 percent”.

10 (b) CONFORMING AMENDMENT.—Subsection (b) of
11 section 7527 of such Code is amended by striking “65 per-
12 cent” and inserting “70 percent”.

13 (c) EFFECTIVE DATE.—The amendments made by
14 this section shall apply to months beginning after Decem-
15 ber 31, 2007, in taxable years ending after such date.

16 **SEC. 306. COLLECTION OF UNEMPLOYMENT COMPENSA-**
17 **TION DEBTS.**

18 (a) IN GENERAL.—Section 6402 of the Internal Rev-
19 enue Code (relating to authority to make credits or re-
20 funds) is amended by redesignating subsections (f)
21 through (k) as subsections (g) through (l), respectively,
22 and by inserting after subsection (e) the following new
23 subsection:

24 “(f) COLLECTION OF UNEMPLOYMENT COMPENSA-
25 TION DEBTS.—

1 “(1) IN GENERAL.—Upon receiving notice from
2 any State that a named person owes a covered un-
3 employment compensation debt to such State, the
4 Secretary shall, under such conditions as may be
5 prescribed by the Secretary—

6 “(A) reduce the amount of any overpay-
7 ment payable to such person by the amount of
8 such covered unemployment compensation debt;

9 “(B) pay the amount by which such over-
10 payment is reduced under subparagraph (A) to
11 such State and notify such State of such per-
12 son’s name, taxpayer identification number, ad-
13 dress, and the amount collected; and

14 “(C) notify the person making such over-
15 payment that the overpayment has been re-
16 duced by an amount necessary to satisfy a cov-
17 ered unemployment compensation debt.

18 If an offset is made pursuant to a joint return, the
19 notice under subparagraph (B) shall include the
20 names, taxpayer identification numbers, and ad-
21 dresses of each person filing such return and the no-
22 tice under subparagraph (C) shall include informa-
23 tion related to the rights of a spouse of a person
24 subject to such an offset.

1 “(2) PRIORITIES FOR OFFSET.—Any overpay-
2 ment by a person shall be reduced pursuant to this
3 subsection—

4 “(A) after such overpayment is reduced
5 pursuant to—

6 “(i) subsection (a) with respect to any
7 liability for any internal revenue tax on the
8 part of the person who made the overpay-
9 ment;

10 “(ii) subsection (c) with respect to
11 past-due support; and

12 “(iii) subsection (d) with respect to
13 any past-due, legally enforceable debt owed
14 to a Federal agency; and

15 “(B) before such overpayment is credited
16 to the future liability for any Federal internal
17 revenue tax of such person pursuant to sub-
18 section (b).

19 If the Secretary receives notice from a State or
20 States of more than one debt subject to paragraph
21 (1) or subsection (e) that is owed by a person to
22 such State or States, any overpayment by such per-
23 son shall be applied against such debts in the order
24 in which such debts accrued.

1 “(3) NOTICE; CONSIDERATION OF EVIDENCE.—
2 No State may take action under this subsection until
3 such State—

4 “(A) notifies the person owing the covered
5 unemployment compensation debt that the
6 State proposes to take action pursuant to this
7 section;

8 “(B) provides such person at least 60 days
9 to present evidence that all or part of such li-
10 ability is not legally enforceable;

11 “(C) considers any evidence presented by
12 such person and determines that an amount of
13 such debt is legally enforceable; and

14 “(D) satisfies such other conditions as the
15 Secretary may prescribe to ensure that the de-
16 termination made under subparagraph (C) is
17 valid and that the State has made reasonable
18 efforts to obtain payment of such covered un-
19 employment compensation debt.

20 “(4) COVERED UNEMPLOYMENT COMPENSATION
21 DEBT.—For purposes of this subsection, the term
22 ‘covered unemployment compensation debt’ means—

23 “(A) a past-due debt for erroneous pay-
24 ment of unemployment compensation which has
25 become final under the law of a State certified

1 by the Secretary of Labor pursuant to section
2 3304 and which remains uncollected;

3 “(B) contributions due to the unemploy-
4 ment fund of a State for which the State has
5 determined the person to be liable; and

6 “(C) any penalties and interest assessed on
7 such debt.

8 “(5) REGULATIONS.—

9 “(A) IN GENERAL.—The Secretary may
10 issue regulations prescribing the time and man-
11 ner in which States must submit notices of cov-
12 ered unemployment compensation debt and the
13 necessary information that must be contained
14 in or accompany such notices. The regulations
15 may specify the minimum amount of debt to
16 which the reduction procedure established by
17 paragraph (1) may be applied.

18 “(B) FEE PAYABLE TO SECRETARY.—The
19 regulations may require States to pay a fee to
20 the Secretary, which may be deducted from
21 amounts collected, to reimburse the Secretary
22 for the cost of applying such procedure. Any fee
23 paid to the Secretary pursuant to the preceding
24 sentence shall be used to reimburse appropria-

1 tions which bore all or part of the cost of apply-
2 ing such procedure.

3 “(C) SUBMISSION OF NOTICES THROUGH
4 SECRETARY OF LABOR.—The regulations may
5 include a requirement that States submit no-
6 tices of covered unemployment compensation
7 debt to the Secretary via the Secretary of Labor
8 in accordance with procedures established by
9 the Secretary of Labor. Such procedures may
10 require States to pay a fee to the Secretary of
11 Labor to reimburse the Secretary of Labor for
12 the costs of applying this subsection. Any such
13 fee shall be established in consultation with the
14 Secretary of the Treasury. Any fee paid to the
15 Secretary of Labor may be deducted from
16 amounts collected and shall be used to reim-
17 burse the appropriation account which bore all
18 or part of the cost of applying this subsection.

19 “(6) ERRONEOUS PAYMENT TO STATE.—Any
20 State receiving notice from the Secretary that an er-
21 roneous payment has been made to such State under
22 paragraph (1) shall pay promptly to the Secretary,
23 in accordance with such regulations as the Secretary
24 may prescribe, an amount equal to the amount of
25 such erroneous payment (without regard to whether

1 any other amounts payable to such State under such
2 paragraph have been paid to such State).”.

3 (b) DISCLOSURE OF CERTAIN INFORMATION TO
4 STATES REQUESTING REFUND OFFSETS FOR LEGALLY
5 ENFORCEABLE STATE UNEMPLOYMENT COMPENSATION
6 DEBT.—

7 (1) GENERAL RULE.—Paragraph (3) of section
8 6103(a) of such Code is amended by inserting
9 “(10),” after “(6),”.

10 (2) DISCLOSURE TO DEPARTMENT OF LABOR
11 AND ITS AGENT.—Paragraph (10) of section 6103(l)
12 of such Code is amended—

13 (A) by striking “(c), (d), or (e)” each place
14 it appears in the heading and text and inserting
15 “(c), (d), (e), or (f),”

16 (B) in subparagraph (A) by inserting “, to
17 officers and employees of the Department of
18 Labor and its agent for purposes of facilitating
19 the exchange of data in connection with a re-
20 quest made under subsection (f)(5) of section
21 6402,” after “section 6402”, and

22 (C) in subparagraph (B) by inserting “,
23 and any agents of the Department of Labor,”
24 after “agency” the first place it appears.

1 (3) SAFEGUARDS.—Paragraph (4) of section
2 6103(p) of such Code is amended—

3 (A) in the matter preceding subparagraph
4 (A), by striking “(l)(16),” and inserting
5 “(l)(10), (16),”;

6 (B) in subparagraph (F)(i), by striking
7 “(l)(16),” and inserting “(l)(10), (16),”;

8 (C) In the matter following subparagraph
9 (f)(iii)—

10 (i) in each of the first two places it
11 appears, by striking “(l)(16),” and insert-
12 ing “(l)(10), (16),”;

13 (ii) by inserting “(10),” after “para-
14 graph (6)(A),”;

15 (iii) in each of the last two places it
16 appears, by striking “(l)(16)” and insert-
17 ing “(l)(10) or (16)”.

18 (c) EXPENDITURES FROM STATE FUND.—Section
19 3304(a)(4) of such Code is amended—

20 (1) in subparagraph (E), by striking “and”
21 after the semicolon;

22 (2) in subparagraph (F), by inserting “and”
23 after the semicolon; and

24 (3) by adding at the end the following new sub-
25 paragraph:

1 “(G) WITH RESPECT TO AMOUNTS OF COV-
2 ERED UNEMPLOYMENT COMPENSATION DEBT
3 (AS DEFINED IN SECTION 6402(F)(4)) COL-
4 LECTED UNDER SECTION 6402(F).—

5 “(i) amounts may be deducted to pay
6 any fees authorized under such section;
7 and

8 “(ii) the penalties and interest de-
9 scribed in section 6402(f)(4)(B) may be
10 transferred to the appropriate State fund
11 into which the State would have deposited
12 such amounts had the person owing the
13 debt paid such amounts directly to the
14 State;”.

15 (d) CONFORMING AMENDMENTS.—

16 (1) Subsection (a) of section 6402 of such Code
17 is amended by striking “(c), (d), and (e),” and in-
18 serting “(c), (d), (e), and (f)”.

19 (2) Paragraph (2) of section 6402(d) of such
20 Code is amended by striking “and before such over-
21 payment is reduced pursuant to subsection (e)” and
22 inserting “and before such overpayment is reduced
23 pursuant to subsections (e) and (f)”.

1 (3) Paragraph (3) of section 6402(e) of such
2 Code is amended in the last sentence by inserting
3 “or subsection (f)” after “paragraph (1)”.

4 (4) Subsection (g) of section 6402 of such
5 Code, as redesignated by subsection (a), is amended
6 by striking “(c), (d), or (e)” and inserting “(c), (d),
7 (e), or (f)”.

8 (5) Subsection (i) of section 6402 of such Code,
9 as redesignated by subsection (a), is amended by
10 striking “subsection (c) or (e)” and inserting “sub-
11 section (c), (e), or (f)”.

12 (e) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to refunds payable under section
14 6402 of the Internal Revenue Code of 1986 on or after
15 the date of enactment of this Act.

16 **SEC. 307. OFFSETS.**

17 (a) TIME FOR PAYMENT OF CORPORATE ESTIMATED
18 TAXES.—Subparagraph (B) of section 401(1) of the Tax
19 Increase Prevention and Reconciliation Act of 2005 is
20 amended by striking “115 percent” and inserting “_____”
21 percent”.

22 (b) CUSTOMS USER FEES.—Section
23 13031(j)(3)(B)(i) of the Consolidated Omnibus Budget
24 Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)(B)(i)) is

1 amended by striking “October 7, 2014” and inserting
2 “_____, 2014”.